

Ryan Prepared Opening Statement – Investing in Our Children
February 12, 2009

- *Thank Chairman Spratt. Welcome witnesses.*
- Our focus today is on American families struggling in the severely weakened economy – and specifically, the children of those families. The most obvious, and I know, well-*intentioned* response is to increase the size and scope of nearly every Government program on the books. And likely even add a few more.
- But what always seems to come as an afterthought – if at all – is what all these well-intentioned actions will mean for the future of those same children Congress is today aiming to help.
- CBO tells us the deficit this year will be \$1.2 trillion – and that’s before taking into account the so-called “stimulus” bill.
- Compounding this is an entitlement crisis looming on the horizon.
- Today, the Federal Government has an unfunded liability of \$56 trillion – or about \$185,000 for every man, woman and child in the United States. And that gap between what we’ve promised – and what we can actually deliver – is growing by an incredible \$2-\$3 trillion per year.
- What does *this* mean for our children’s future? According to GAO – by the time today’s 5 year-olds hit their mid-30s, they will have to pay *twice* as much in Federal taxes as we do now – just to keep our largest entitlements afloat in their current form.
- It’s important to note that these estimates were produced *prior* to today’s economic crisis – and assume no *new* spending, no *new* benefits – and certainly not the stimulus bill, with its hundreds of billions in new spending and program expansions.
- But if we fail to reform these entitlements – we’re all-but-guaranteeing an economic crisis for our children that will be – as OMB Director Peter Orszag’s said to this Committee last September – “*substantially more severe than even what we are facing today.*”

- Failing to address the entitlement crisis will also mean that our three largest entitlements – Medicare, Social Security, and Medicaid – *alone* will grow to consume the size of the entire Federal budget today – and crowd out every other domestic priority, including early childhood education and the 21 existing food subsidy programs.
- To be clear, I’m not suggesting that Congress throws up its hands and says our challenges are too great, our debt is already too large, and there’s nothing we can do to help those truly in need today.
- Congress has already taken extraordinary steps to address the current economic crisis – including the bi-partisan passage of measures – such as a temporary extension of unemployment insurance benefits – to cushion struggling families from this serious economic downturn.
- CHART [Food Stamps]
- Let’s look at Food Stamps for another example. Since 2000, we’ve more than doubled the size of this program. According to CBO, Food Stamp spending will increase by 22 percent this year alone. And that increase jumps to 34 percent with the “stimulus” bill.
- But we simply cannot pretend that the answer to every question, and every challenge is “bigger Government, and more spending.” At best, the Government’s well-intentioned efforts to help the vulnerable have a mixed record of success, and in too many cases have simply trapped their beneficiaries in a cycle of dependency, while adding to our already crushing burden of debt.
- Instead of simply racing to do *something* for struggling families – let’s try to do something that uses the lessons of the past, and actually betters the prospects for our future.
- We all know the elements of this: We’ve got to get our economy back on track *now* – that means encouraging the investment and job creation critical to get the people kids look to provide for them – *their parents* – back to work. That means we’ve got to remove the tax hikes that – in less than two years under current law – will hit workers, businesses and families.
- And equally important, that means beginning to address – immediately – the looming entitlement crisis so we can give the next generation an even better America than our parents passed to us.